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January 22, 2019

Litigation + Business

VIA ELECTRONIC FILING AND HAND DELIVERY FOR CONFIDENTIAL VERSION

The Honorable Jocelyn G. Boyd Chief Clerk / Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, SC 29210

Re: Power Purchase Agreement between Duke Energy Progress, Incorporated

and Darlington Solar, LLC and Request for Confidential Treatment

Docket No. 2015-146-E

Dear Ms. Boyd:

By Order No. 2015-303 issued April 22, 2015, the Public Service Commission of South Carolina (the "Commission") accepted for filing the Power Purchase Agreement ("PPA") between Duke Energy Progress, LLC ("DEP" or the "Company") and Darlington Solar, LLC ("Darlington Solar"). In the referenced order, the Commission also granted DEP's request for confidential treatment of the PPA.

It has come to our attention that, due to a clerical error, an amendment to the PPA ("Amendment") between DEP and Darlington Solar was inadvertently not submitted to the Commission for filing. The Company therefore now submits for filing the Amendment dated May 25, 2016, which contains two discrete amendments to the PPA. Due to the commercial sensitivity and proprietary nature of the Amendment, DEP respectfully requests that, pursuant to S.C. Code Ann. § 30-4-40(a), the Commission find that the redacted portions of the Amendment are exempt from disclosure under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 et seq., and S.C. Code Ann. Regs. 103-804(S)(2).

The information contained in the Amendment for which DEP seeks protection derives economic value from not being generally known to, and not being readily ascertainable by, other persons who would be able to obtain economic value from its disclosure. Disclosure of this information would reveal confidential conditions that are proprietary and specific to this counterparty. Revealing this information would likely set a floor for future counterparties, jeopardizing DEP's ability to negotiate such terms and conditions in a manner that results in the most beneficial contract for its retail customers. In recognition of the confidentiality of the information, the parties to the contract agreed to confidentiality provisions which

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prevent either party from disclosing any term of the PPA to any third party without the prior written consent of the other party. Moreover, the Commission granted confidential treatment of the same competitively sensitive information in its recent Order No. 2018-162, in which the Commission concluded, "[i]t is not in the public interest to limit a company's ability to negotiate better contract terms for power purchase agreements."

Accordingly, the Company submits that the redacted material is entitled to protection under the South Carolina Freedom of Information Act and respectfully requests that it be permitted to file the confidential version of the Amendment under seal and that such be maintained as confidential. Enclosed with this letter is a redacted version of the Amendment that protects from disclosure the commercially sensitive and proprietary information, while making available for public viewing non-protected information. Additionally, we are hand-delivering to the Commission and Office of Regulatory Staff copies of the confidential version of the Amendment.

Please feel free to contact me should you have any questions or concerns.

Kind regards,

Sam Wellborn

SJW:tch

Enclosure

cc w/enc: Heather Shirley Smith, Deputy General Counsel (via email)

Rebecca J. Dulin, Senior Counsel (via email)

Jeffrey M. Nelson, ORS Chief Legal Officer (via email)

¹ Order No. 2018-162, Docket Nos. 2016-41-E & 2016-42-E (Mar. 7, 2018).